



Substitute House Bill No. 5513

Public Act No. 16-62

***AN ACT REVISING CERTAIN STATUTES CONCERNING THE
STATE COMPTROLLER.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 5-262 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) As used in this section:

(1) "Federation" means a [community chest or other organization which is incorporated as a nonstock corporation, is] legally constituted grouping of not less than five affiliated nonprofit charitable member organizations that are exempt from taxation under Section 501(c)(3) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended, [and consists of not less than ten affiliated agencies] conducting a single, annual, consolidated effort to secure funds for distribution to its member agencies engaged in charitable and public health, welfare, environmental, conservation or service purposes.

(2) ["Agency" means an organization which is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended] "Principal combined fund-raising

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organization" means a federation, charitable organization or consultant, as described in subdivision (2) of subsection (c) of this section, that is selected by the State Employee Campaign Committee to administer the State Employee Campaign under the direction and control of said committee.

(3) "State Employee Campaign" means an annual campaign to raise funds from state employees for charitable and public health, welfare, environmental, conservation [and] or service purposes.

(b) (1) There is established a State Employee Campaign Committee consisting of: The Comptroller, or [his] the Comptroller's designee; the Commissioner of Administrative Services, or [his] the commissioner's designee; the executive director of the Joint Committee on Legislative Management, or [his] the executive director's designee; ten state employees appointed [as follows: Four by the Governor, two of whom shall be a representative of organized labor, one by the speaker of the House of Representatives, one by the majority leader of the House of Representatives, one by the minority leader of the House of Representatives, one by the president pro tempore of the Senate, one by the majority leader of the Senate and one by the minority leader of the Senate] in accordance with subdivision (2) of this subsection; two retired state employees, one appointed by the Governor and one appointed by the Comptroller; one nonvoting representative from each participating federation; and one nonvoting representative from the principal combined fund-raising organization selected pursuant to subdivision (3) of subsection (c) of this section. Not more than one state employee from any state agency shall be appointed to the committee. All voting members of the [state employee campaign committee] State Employee Campaign Committee and their successors shall serve in accordance with the provisions of section 4-1a. The committee shall select one of its voting members to serve as chairperson.

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(2) The ten state employee members of the State Employee Campaign Committee shall be appointed as follows: Four by the Governor, two of whom shall be representatives of organized labor; one by the speaker of the House of Representatives; one by the majority leader of the House of Representatives; one by the minority leader of the House of Representatives; one by the president pro tempore of the Senate; one by the majority leader of the Senate; and one by the minority leader of the Senate.

(c) (1) The State Employee Campaign Committee shall [select a federation which has participated in the State Employee Campaign and has workplace campaign experience to administer the State Employee Campaign and shall supervise the campaign activities of such federation. The federation selected shall be referred to as the "principal combined fund-raising organization". If two or more federations request that the State Employee Campaign Committee select them to serve as the principal combined fund-raising organization, the State Employee Campaign Committee shall select a federation through a competitive process. During the fiscal year ending June 30, 1993, the committee shall also conduct a comprehensive review of the State Employee Campaign. Not later than July 1, 1993, and annually thereafter, the committee shall submit to the Governor and the General Assembly a report on the results of the most recently completed State Employee Campaign and recommendations for improvements in the upcoming campaign.] be responsible for (A) the overall coordination of the State Employee Campaign, selection of participating federations and approval of campaign materials to be used for the State Employee Campaign, and (B) the selection and supervision of a principal combined fund-raising organization to administer the State Employee Campaign.

(2) Each federation, charitable organization or consultant submitting an application to become the principal combined fund-raising

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organization for the State Employee Campaign shall demonstrate that such federation, charitable organization or consultant (A) has prior workplace campaign experience, including, but not limited to, (i) the development of financial procedures for processing and tracking contributions and expenditures, and (ii) conducting campaign operations such as a kick-off and other events for the State Employee Campaign, (B) has staff necessary to administer the State Employee Campaign, and (C) will administer the State Employee Campaign equitably and fairly.

(3) If two or more federations, charitable organizations or consultants submit an application to become the principal combined fund-raising organization for the State Employee Campaign, the State Employee Campaign Committee shall, through a competitive process, select the lowest responsible qualified bidder, as defined in subsection (a) of section 4a-59. If only one federation, charitable organization or consultant submits such an application and meets the qualifications prescribed in subdivision (2) of this subsection, the State Employee Campaign Committee shall select such federation, charitable organization or consultant to become the principal combined fund-raising organization.

(4) The Comptroller, on behalf of the State Employee Campaign Committee, shall contract with the selected principal combined fund-raising organization to administer the State Employee Campaign.

(d) (1) [Each] Any federation [which] that did not participate in the most recently completed State Employee Campaign and wishes to participate in the next State Employee Campaign shall apply to the State Employee Campaign Committee not later than January fifteenth [annually] after the most recently completed State Employee Campaign for approval to participate in the [campaign] next State Employee Campaign. Such application shall contain information required by regulations adopted by the office of the Comptroller in

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accordance with chapter 54, pursuant to subsection (h) of this section. The committee shall review such application and notify the federation of [its] the committee's decision not later than May fifteenth. [A federation whose] If a federation's application is denied, such federation may appeal the decision of the committee in accordance with the procedures set forth in such regulations adopted by the office of the Comptroller.

(2) On or before January fifteenth, each federation which participated in the most recently completed State Employee Campaign and wishes to participate in the next State Employee Campaign shall submit to the State Employee Campaign Committee a letter of intent to participate in the [upcoming campaign] next State Employee Campaign. On or before April fifteenth, each such federation shall apply to the State Employee Campaign Committee for approval to participate in the [campaign] next State Employee Campaign. Such application shall contain information required by regulations adopted by the office of the Comptroller in accordance with chapter 54, pursuant to subsection (h) of this section. The committee shall review such application and notify the federation of [its] the committee's decision not later than May fifteenth. [A federation whose] If a federation's application is denied, such federation may appeal the decision of the committee in accordance with the procedures set forth in such regulations adopted by the office of the Comptroller.

(e) The Comptroller, upon written request of any state officer or employee, shall deduct, each pay period, from the salary or wages of such officer or employee the amount of money designated by such officer or employee for payment to the participating federation or federations indicated by the officer or employee. Upon collecting such deductions, the Comptroller shall transmit them to the principal combined fund-raising organization selected pursuant to subdivision (3) of subsection (c) of this section, together with a list of officers and

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employees contributing to each federation or [its] such federation's member agencies, provided the identity of [officers or employees who have] any officer or employee who has communicated in writing that [they desire] such employee or officer desires to remain anonymous shall not be so transmitted. Such principal combined fund-raising organization shall, each month after receiving funds from the Comptroller, distribute the funds among the other federations [,] for further distribution to the member agencies of the federations.

(f) Prior to the [state campaign] annual commencement of the State Employee Campaign, the principal combined fund-raising organization shall submit for the approval of the State Employee Campaign Committee an itemized budget of anticipated administrative expenses, which budget shall not include campaign expenses. Following the [state campaign] annual conclusion of the State Employee Campaign, the principal combined fund-raising organization shall recover an amount not to exceed one hundred ten per cent of its preapproved actual administrative expenses from the gross payroll deduction receipts of the campaign in accordance with procedures set forth in regulations adopted by the office of the Comptroller, pursuant to subsection (h) of this section. Undesignated funds raised through the campaign shall be distributed among the participating federations in proportion to the amount of funds designated for each federation.

(g) [The] Not later than March first annually, the principal combined fund-raising organization shall submit to the Auditors of Public Accounts for audit [, and a copy to the office of the Comptroller, by March first annually,] a financial report of [its] such principal combined fund-raising organization's activities relating to the State Employee Campaign payroll deductions made during the previous calendar year. The principal combined fund-raising organization shall submit a copy of such financial report to the office of the Comptroller.

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(h) The Comptroller shall (1) adopt regulations in accordance with the provisions of chapter 54 to carry out the purposes of this section, [The regulations shall set forth the competitive process by which the State Employee Campaign Committee shall select a federation to serve as the principal combined fund-raising organization and may include criteria for approval of federations applying under this section to participate in the State Employee Campaign] (2) exercise general supervision over all operations of the State Employee Campaign and take any steps necessary to ensure achievement of campaign objectives, and (3) have the authority, for purposes of compliance with this section and any regulations adopted pursuant to this section, to audit, investigate and report on the administration of the State Employee Campaign, the principal combined fund-raising organization that administers the campaign and any federation or federation member organization that participates in the campaign.

(i) Not later than July 1, 2016, and not later than April first annually thereafter, the State Employee Campaign Committee shall conduct a comprehensive review of the State Employee Campaign and submit to the Governor, the Comptroller and the General Assembly, in accordance with section 11-4a, a report on the results of the most recently completed State Employee Campaign and recommendations for improvements in the next State Employee Campaign.

Approved May 27, 2016